

CONNECTICUT STATE DEPARTMENT OF EDUCATION
Bureau of Health and Nutrition Services and Child/ Family/School Partnerships
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Middletown, Connecticut 06457

TO: Sponsors of National School Lunch & School Breakfast Programs

FROM: Maureen B. Staggenborg, Director
Child Nutrition Programs

DATE: September 14, 2005

SUBJECT: **Operational Memorandum # 21-05**
Verification of Free and Reduced Meal Applications

As indicated in previous Operational Memoranda, the Child Nutrition and WIC Reauthorization Act of 2004 (P.L. 108-265) amended the Richard B. Russell National School Lunch Act by adding new procedures to the requirements for verifying the free and reduced price school meal applications. The changes to verification which became effective July 1, 2005 are outlined below.

I. New Verification procedure - Basic sample size for verification

By **November 15** of each school year, each school district must complete verification of a sample of their approved free and reduced-price applications on file as of **October 1**.

The Reauthorization Act of 2004 requires school districts to choose either 3,000 applications or three percent of all approved applications; whichever is less, as the basic sample size for verification. All applications selected for verification must be *error-prone*. (*Error-prone* refers to those approved applications that listed household income within \$100 monthly or \$1200 annually of the free or reduced price eligibility guidelines for that household size. Error-prone does NOT include food stamp, TFA, homeless, migrant or runaway applications because these applications are considered categorically eligible.) If there are not enough error-prone applications to meet the required sample size, districts must randomly select additional applications from *all* applications on hand, *including* food stamp/TFA applications, to fulfill the percentage or number requirement. *Please note that direct certification letters from the Department of Social Services, and homeless/migrant/runaway certifications are **not** part of the Verification process.*

II. Alternate Sample Sizes

Districts may use the traditional random or focused methods of verification if the district meets either of the following conditions:

Condition #1

Any district where the *non-response rate for the prior school year is less **than 20 percent**, or

Condition #2

Districts with more than 20,000 children approved by application (excluding direct certification students and homeless/migrant/runaway certifications) that meet at least one of the following sub-conditions:

- (a) The *non-response rate for school year 2004-05 is at least 10 percent below the verification non-response rate for school year 2003-04

or

- (b) For school year 2005-06 only, districts attempt to verify applications selected for verification through the use of public agency records from at least two of the following programs: food stamps, TFA, State Medicaid, or an approved income-tested program as determined by USDA. All applications chosen for verification (income & FS/TFA) would be submitted to the public agencies for verification (direct verification). Applications that are not verified by public agency records would then go through the regular verification process of contacting the household.

*The “non-response rate” is defined as the percentage of approved applications selected for verification for which the district has not obtained verification information.

Note: Any use of alternate methods would be subject to documented justification of conditions (percentage requirements and/or direct verification documents) during a CRE review or as requested from the state office.

Once the above conditions are met, alternate sample size choices are the same options used last year outlined in the *Eligibility Guidance for School Meals* manual. Below summarizes the options:

- Alternate 1 (Random): The minimum required sample size is 3 percent or 3,000, whichever is less, of all approved applications on file on October 1st. The applications must be selected at **random** without consideration of which are error-prone.
- Alternate 2 (Focused):
 - 1) Verify 1 percent of *total approved applications*; if this percentage results in verifying more than 1000 applications, the SFA may limit verification to 1000 applications. The sample must be taken from error-prone applications, **plus**
 - 2) Verify the lesser of .5 percent (half of 1 percent) or 500 applications with a case number (Food Stamp, TFA applications).

III. Regardless of the method used for Verification, the following applies:

- School sponsors now have the authority to decline to verify no more than 5% of the applications in the selected sample. This should be done with discretion and on a case-by-case basis. Factors such as household stability and communication difficulties are examples of reasons for not selecting a household for verification. Any application that was removed from the sample must be replaced with another approved application.
- As noted with last year’s Verification process, school officials verifying income applications must allow households to provide documentation of income for **any point in time between the month prior to application and the time the household is required to provide documentation**. The current *Eligibility Guidance for School Meals* manual specifies that households that are selected for verification must document their income for the most recent month available. This is no longer in effect.
- School sponsors must provide all households selected for verification with a telephone number that they may call for assistance. The call must be **free** to all households in the school district. The school food authority may establish a toll-free number or allow the household to reverse the charges if any households in the school district are outside the local calling area. The school district may also provide different telephone numbers for each local calling area within the school district.
- **Confirmation Review** - sponsors must first review all of the selected applications to confirm that they were correctly approved. This is the “confirmation review.” The individual who conducts this review is called the “confirming official” and must be a different individual than the “determining official” who signed the application to establish the initial eligibility. *Documentation of the confirmation review must be kept on file by your district.*

If an application is found to be incorrect during a confirmation review, the district must correct the household's eligibility status, notify the household, and explain how the changes will affect it.

If a household's eligibility status changes from **free or reduced price to paid**, the district must initiate an adverse action and inform the household in writing that benefits will be terminated. The letter must explain why the adverse action is occurring and inform the household that it may reapply for benefits. *The incorrect application must then be removed from the verification process and replaced with another error-prone application.*

If a household's eligibility status changes from **free to reduced price**, the district must correct the household's eligibility status and prepare an adverse action letter informing the household of their imminent change in benefits. The letter must explain why the adverse action is occurring. *However, the application must still be used for verification because the household will remain in the program, even if at a downgraded status.*

The requirement for a confirmation review may be waived if 1) the district uses an accurate technology-based automated system, and 2) the state office gives approval after confirming that the automated system is accurate. To receive a waiver for the confirmation review, a letter explaining how your POS system ensures accuracy of the certification process must be submitted and approved by the Child Nutrition Programs.

- **Follow-up Official** - The "follow-up official" is the person who contacts a household that fails to respond to the initial Verification process. This person must make at least one attempt to obtain the required verification data from the selected household. The follow-up official may be the determining official, the confirming official or other appropriate staff member. The attempt may be made through the mail, by telephone, by e-mail or through personal contact. Please note that the school district must document in writing, on the actual application, each attempt to contact the household for verification. *If the district is unable to verify the household's eligibility after at least one follow-up attempt, the household's benefits must be terminated through a notice of adverse action.*

The school sponsor may contract with a third party to assist with the required follow-up activity. Any third party is subject to confidentiality requirements based on current regulations.

Additionally, the follow-up attempt must be done early enough to allow verification to be completed by November 15th. Verification of an individual application is complete when a household's eligibility for the level of benefits for which it was approved is: a) confirmed; or b) changed to a higher level of benefit; or c) a letter of adverse action has been sent informing the household that benefits will be reduced; or d) a letter of adverse action has been sent informing the household that benefits will be terminated.

- **Verification Results Form** - As in the past, school districts will be required to complete a School Sponsor Verification Results form. This form will be issued at a later date along with an Operational Memorandum. It will be similar to the form used last year and will not be due until after January 1st.
- **Verification Forms** - Updated forms may be downloaded after September 21st by going to the following website: <http://www.state.ct.us/sde/deps/nutrition/SchoolNutrIndex.htm> . Click on the Verification section.

Questions about any of the information provided in this Memorandum may be directed to the following staff:

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